



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

March 19, 2001

FACSIMILE (435) 438-8804

E-Mail -bpress@inquo.net

Beaver Press
Legal Advertising
40 East Center Street
P.O. Box 315
Beaver, Utah 84713-0351

Gentlemen:

Re: NOTICE OF TENTATIVE APPROVAL - M/001/027

Attached is a Notice of Tentative Approval from the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah.

It is requested that this notice be published ONCE ONLY as soon as possible, but no later than the 22nd day of March, 2001. In the event that said notice cannot be published by this date, please notify me immediately by calling 538-5291.

Upon completion of this request, please send proof of publication and statement of cost to the Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801; phone (801) 538-5340.

Sincerely,

Joelle Burns
Minerals Secretary

jb
Attachment

BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

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IN THE MATTER OF A TENTATIVE :
DECISION TO APPROVE A REVISED :
MINING AND RECLAMATION PLAN FOR :
BASIN PERLITE CORPORATION'S :
PEARL QUEEN PERLITE MINE, :
BEAVER COUNTY, UTAH :

NOTICE OF TENTATIVE
DECISION TO APPROVE
NO. M/001/027

---ooOoo---

THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION,
MINERAL AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS
INTERESTED IN SECTIONS 1 AND 2, TOWNSHIP 27 SOUTH, RANGE 9 WEST,
BEAVER COUNTY, UTAH.

Notice is hereby given by the Division of Oil, Gas and Mining of its tentative decision to approve Basin Perlite Corporation's revised Mining and Reclamation Plan for the Pearl Queen Perlite Mine. Mining activities will affect the following area: SW1/4 of the SW1/4 Section 1, and the SE1/4 of the SE1/4 Section 2, T27S, R9W, SLBM, Beaver County, Utah.

The operator will employ the following mining and reclamation techniques on approximately 23.5 total acres of State and Federal land (plan originally approved was for 10 acres on State Land; the revised acreage will include 9 additional acres on State land and 4.5 acres on Federal land). A Cultural Resource Inventory and Data Recovery Plan for the Pearl Queen Perlite Mine has been accepted by the State regulatory agencies which will be implemented before mining begins in the new expansion areas.

During Operations: Basin Perlite will contract the onsite mining and primary crushing of the ore. The mined ore will be crushed to minus 1-1/2 inches onsite with a portable crushing plant. The crushed ore will be trucked to the process plant/mill site located on the east side of Milford. Perlite processing waste fines will be trucked back to the mine, stockpiled, or used directly in contemporaneous reclamation of the mine site.

Brush will be cleared and grubbed from the mine areas, a 12-inch layer of soil/rubble-perlite will be salvaged and stockpiled for reclamation. The thick perlite/caliche surface zone will be ripped and bulldozed into a waste disposal site or used as backfill for the mined out areas of the pit. Perlite ore will be ripped and stockpiled. Some drilling and blasting may be required, if the in-place perlite ore is too hard for ripping. Erosion and sediment control measures will be implemented onsite. Mining will progress in phases along with periodic contemporaneous reclamation of older pit disturbances.

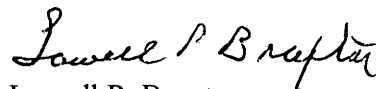
After Operations: All mining equipment will be removed from the mine site. The waste rock disposal areas, backfilled pit and associated mine disturbances will be contour graded to conform with the adjacent topography to the extent practicable. Residual process plant waste (perlite fines) will be used in final reclamation of the mine site. The stockpiled soil/rubble-perlite will be uniformly placed over the recontoured areas of the mine, then fertilized and seeded with an approved seed mixture.

The person representing the company is Mr. Jay Gatten; Phone: (801) 544-3421. Basin Perlite Corporation is fulfilling obligations under the Utah Mined Land Reclamation Act of 1975, Utah Code Ann. §40-8-18.

Any person or agency aggrieved by this tentative decision to issue approval is hereby requested to submit written protest within thirty (30) days of the date of publication to Mary Ann Wright, Associate Director of Mining, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801, setting forth factual reasons for the complaint. If no responsive written protests are received by the Division within 30 days after the last date of publication, the tentative decision of the Division will be final.

DATED THIS 16th day of March, 2001

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



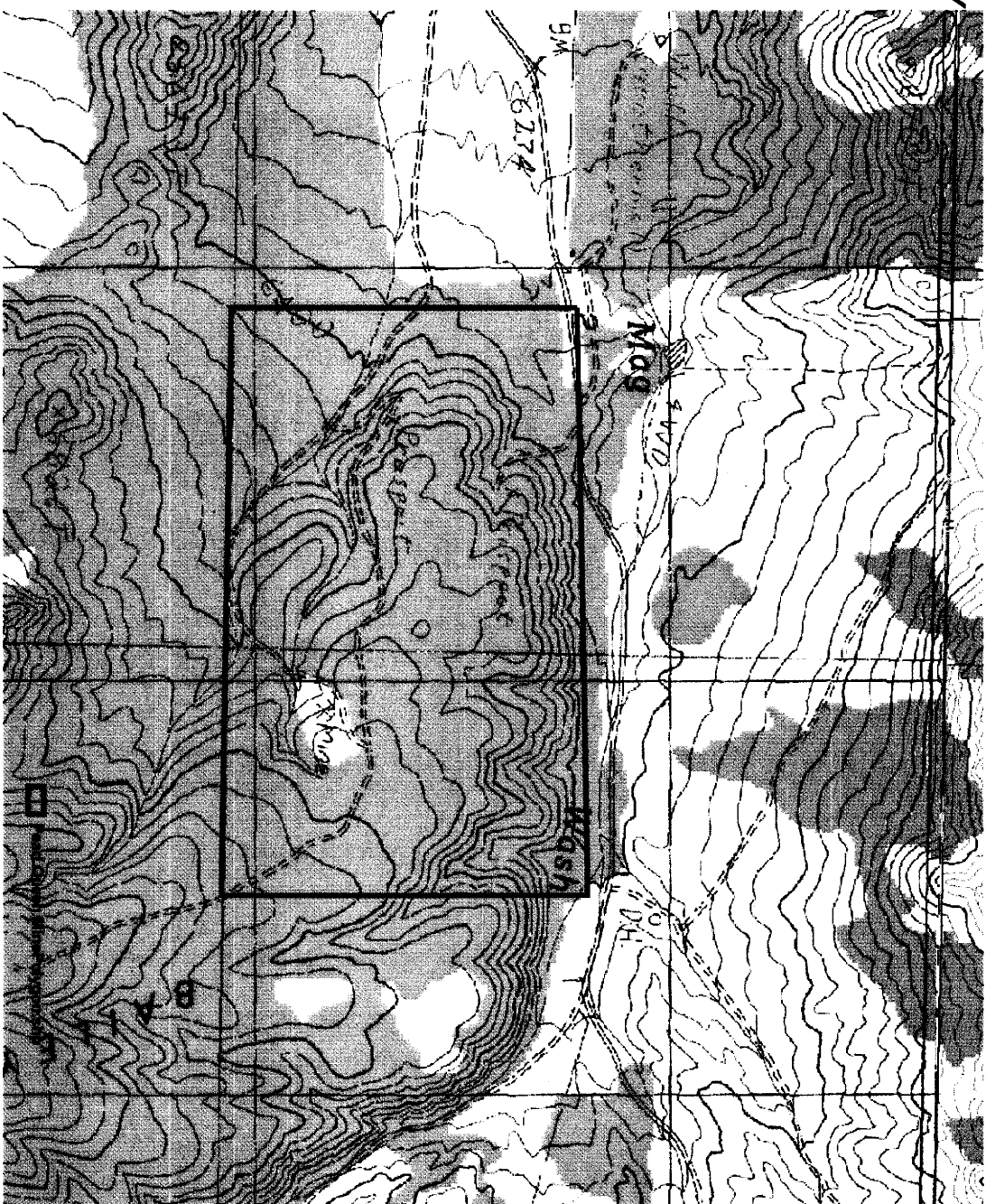
Lowell P. Braxton
Director

BASIN PERLITE COMPANY

Pearl Queen Mine

M/001/027

mine location



Section 1 and 2:
Township 27 South, Range 9 West

Bearskin Mountain Quad.

